United Nations S/2002/1153

Security Council

Distr.: General
15 October 2002

Original: English

Letter dated 14 October 2002 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

I write with reference to my letter of 6 August 2002 (S/2002/899).

The Counter-Terrorism Committee has received the attached supplementary report from Hungary (see annex), submitted pursuant to paragraph 6 of resolution 1373 (2001).

I would be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Jeremy **Greenstock**
Chairman
Security Council Committee established pursuant to
resolution 1373 (2001) concerning counter-terrorism

02-64570 (E) 231002

BEST COPY AVAILABLE

Annex

Letter dated 8 October 2002 from the Permanent Representative of Hungary to the United Nations addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

On the instruction of my Government, and further to your letter dated 15 July 2002, I have the honour to transmit herewith a supplementary report (see enclosure) containing replies to the questions put by the Counter-Terrorism Committee concerning the report submitted by Hungary on 3 January 2002, pursuant to paragraph 6 of Security Council resolution 1373 (2001).

I take this opportunity to reiterate the high appreciation of the Hungarian Government for its close cooperation with the Committee and to reaffirm our commitment to provide the Committee with any additional information that it deems necessary or may request.

(*Signed*) László **Molnár**
Permanent Representative

Enclosure

Further report of Hungary to the Counter-Terrorism Committee on matters raised in the Chairman's letter of 15 July 2002

Subparagraph 1 (a)

The Hungarian customer identification rules are based on the **KYC** ("Know Your Customer") principle. The all embracing, or umbrella rule is the identification - and verification of the identity - of the customer "when entering into business relations or concluding a written contract". By definition this rule covers all customers irrespective of their new or old business relationship with the financial service provider. The following rules are tailor-made for different types of customers:

The previous rules specified 4 mandatory identification data. The new regulations have added to those 3 further data, ensuring 7 data for all identification. It is against the law to provide financial services for a non-properly identified customer. In practice this means that **new customers** have to identify themselves immediately with the application of the new rules providing the **seven identification data** required by the law, while those having already **established earlier a business relationship** with the financial service provider are required to provide the extra three data –in addition to the previous four - whenever asking for a financial service from their bank or other financial service provider. Customers have to **report** any **changes** in these data **within five days**.

There is a 2-year deadline for "**dormant**" customers, who have to identify themselves again, even if no transactions were initiated for two years.

There is a two million HUF (**8000 EUR**) identification limit embracing non-permanent clients who ask for occasional cash transaction, e.g. a money transfer. In case of exchange of currency this limit is substantially lower, 300 thousand HUF (**1200 EUR**). The identification above the 2 million HUF limit is compulsory for known customers as well.

Information about the **beneficial owner** of the money involved is an essential part of the KYC rules, therefore it is a continuous matter of concern for financial service providers to know the true identity not only of their customer, but also of the beneficial owner. This requires an appropriately **documented declaration on the beneficial ownership** of the amounts transferred, or handled otherwise, to be **repeated before every transaction**.

According to Act XXIV of 1994 on the Prevention and Impeding of Money Laundering:

a, The financial service provider has to act with **due diligence** in identifying the beneficial owner.

b, The **client** has to deposit a written declaration with the financial service provider on the person **on whose behalf** he acts either on a commission or without it.

c, In case of a **legal person,** the **beneficial owner** is a person exercising direct control over the entity.

If at any time during the business relationship **doubt** emerges as to the true identity of the beneficial owner, the client has to **declare again** the beneficial owner and in lack of this declaration the financial service provider has to deny the execution of further transfer or other orders.

The financial service provider has to insist on the presentation of the following documents for verification:

a, In case of **natural persons**:

- identity card, or
- passport, or
- certificate of domicile, or
- residence permit

b, In case of **legal persons and other organizations**:

- personal documents of the representative of the organization
- court of registry certificate of registration, or
- tax authority registration certificate, or facts of foundation.

The subject of verification in case of natural persons is the name (including previous name(s)), address, date and place of birth, nationality, mother's maiden name, type and number of ID, ID issuing authority's name and signs; in case of foreign citizens also their address in Hungary.

In case of legal persons and other organizations verification refers to the full and shorthand name of the organization, the address of its headquarters and branches, its main activity, number of its identification document, the name and ranking of the persons representing it, the identification data of its delivery agent.

The amendment of the Anti-money Laundering Act, which made the concealment of beneficial ownership as a crime, is in force since 19 December 2001. The seven months elapsed since was too short a period for such cases being detected, proven and judged on all instances.

Subparagraph 1 (b)

The person who commits the offense described in Section 261 (4) of the Hungarian Criminal Code (HCC) cannot invoke obligation of professional confidentiality.

According to the Section 261 (4) of the HCC: a person who credibly obtains information suggesting that the perpetration of an act of terrorism is being prepared, and fails to report that to the authorities as soon as ne/she can, commits a felony, and shall be punishable with imprisonment of up to three years.

The Section 261 (4) determines *general obligation to report* the perpetration of an act of terrorism if the information of perpetration is credible. The owner of the information can fulfill his/her obligation to report only by informing the authorities and he/she shall report it as quickly as possible. If it is definitely within the competence of the owner of the information to detect the perpetration of an act of terrorism he/she must report it as appropriate.

Furthermore, according to Act No. I of 1973 on the Criminal Procedural Code anyone can denunciate the commission of a criminal offense. The denunciation is compulsory in case the misprision is a criminal offense.

All authorities and official persons must denunciate those criminal offenses, which have come into their knowledge during the performance of their official function.

According to the International Convention for the Suppression of the Financing of Terrorism, each State Party shall adopt such measures as may be necessary to establish as criminal offenses under its domestic law the offenses set forth in Article 2 and to make those offenses punishable by appropriate penalties which take into account the grave nature of the offenses.

The latest amendment of the provision of the acts of terrorism (Section 261) entered into force on 19 December 2001. According to amended Section 261 any person who provides material means to commit any act of terrorism is guilty of a crime and is punishable with imprisonment from five to fifteen years.

With the above-mentioned amendment, the Republic of Hungary in practical terms fulfilled the expectations of Article 2 of the Convention formally, however, the HCC and the Convention will be in complete harmony only after the Hungarian Parliament will have promulgated the Convention. The Parliament has taken a decision to ratify the Convention **on 10 September, 2002.** (In this particular context, see also subparagraph 3 (d).)

The next amendment of the HCC relating to terrorism is expected later this year. With this amendment the Hungarian legal provisions concerning the acts of terrorism will fully correspond to the Convention.

Subparagraph 1 (c)

Freezing of funds in Hungary is a system consisting of several layers.

- **Financial service providers** may freeze transactions in case of suspicion for 24 hours on their own initiative, in order to provide time for the police to decide whether or not to begin an investigation.
- **The police and the prosecutor's office** may freeze assets for the whole period of the investigation and the judicial procedure.
- **The Government** may order the freezing of different types of assets of different suspects for 90 days, if a **UN Security Council**, or an **EU Council** decision has been adopted on the subject.

The **Hungarian Financial Supervisory Authority (HFSA)**, a government agency has ordered a permanent **watching** for the financial service providers under its supervision regarding the persons and organizations on the **UN and EU terrorist lists**. **Immediate reporting** of any suspicion to the HFSA is compulsory. Reports and data obtained this way are transmitted to the **FIU**, responsible under the AML/CFT law for these reports as well. Constantly updated terrorist lists are available on the homepage of the HFSA.

A **new law** is under preparation with the purpose of providing a constitutionally more solid legal basis to the freezing order, with the additional flexibility of charging a Cabinet Minister with the job of **updating** the list.

Subparagraph 1 (d)

The Hungarian Penal Code was amended as of 19 December 2001 in order to introduce in the definition of the terrorist act the notion of terrorist financing as an act of commitment of a terrorist act. Making available funds and other assets for terrorist purposes may be punished with a prison term of up to15 years, according to Section 261.

According to the Penal Code, Section 4, if a criminal act, - like terrorism, including preparation for a terrorist act – is being committed abroad, is punishable in Hungary if

- the act is a crime both in Hungary and in the country where it is committed
- an international agreement has stipulated it as a crime.

Terrorism, including making available funds for terrorist acts, is a crime according to Hungarian law and also according to several international agreements, Hungary is a party to, therefore financing of terrorism abroad from Hungary is also a crime and not just prohibited, but severely punishable.

The same anti-money laundering rules apply to associations as to any other clients. Hungarian AML rules are based on the all-crimes approach, therefore the suspicion of any crime – including terrorist financing – serves a basis for reporting to the police and immediate freezing of the funds by the financial service provider and/or by the police.

Non-profit organizations in Hungary are responsible for their respective activities to the Tax Authority and to the Prosecutor's Office. Non-profit organizations are registered with the Courts of Registry and the Prosecutor's Office. The latter keeps on each non-profit organization a list of actions undertaken by it due to any irregularity in the activity of the organization. The quarterly balance-sheet and the annual report on the management of assets of the organizations are open for the investigation of the Tax Authority.

Subparagraph 2 (a)

FIREARMS (AND AMMUNITIONS THEREOF) TRADE AND POSSESSION

Domestic Trade

1. Conditions for acquisition of civilian firearms by natural persons:

In Hungary the conditions for acquisition of civilian (sport, hunting, service, self-defense, alarm) firearms by natural persons is regulated by the Government Decree No. 115/1991.(IX.10.) and by the related executive Ministerial Decree No.14/1991.(X.31.)BM.

According to these regulations the ultimate police permit is the basis for acquisition and possession of any type of firearms (and ammunitions).

The domestic trade of civilian firearms and ammunitions is regulated by those two government decrees as well.

2. Condition for acquisition of military weapons by natural persons:

Natural persons are not allowed to possess military designed (eg. automatic) weapons and ammunitions (e.g. steel-core, tracer,)- that is the exclusive privilege of governmental armed forces.

Surplus stocks of military weapons and ammunitions are banned for domestic trade, those are to be destructed or exported.

Foreign Trade

The foreign trade of civilian firearms and ammunitions in Hungary is regulated by the Government Decree No.48/1991.(III.27.), i.e. the Hungarian legal system in foreign trade of civilian as well as military equipment is the same (e.g. export proceedings are the same for both hunting guns or sub-machine guns).

According to the Government Decree No.48/1991.(III.27.) the exportation, importation and re-exportation of military equipment (incl. firearms), and any related services (e.g. development, production, training, education, maintenance, transfer and forwarding), including the brokering activities as well, have to be proceeded via the 3-tier licensing system, i.e. any natural or legal person aiming at accomplishing a foreign trade transaction has to apply for the following individual licenses in a strict procedural sequence:

1. **Trading License (registration of traders),** license validity 1-2 years, with possible extensions
2. Those registered traders planning to engage in business talks with foreign partners have to obtain a **Permit for Negotiation** in advance. In the application therefore all important details of identification of the proposed foreign partner, and specification of military equipment to be imported/exported have to be presented. The 6 months validity allows proceeding with negotiations, but does not allow concluding a contract.
3. To finalize and sign a deal, the applicant has to obtain a **License for entering into Contract (authorization of export/import).** In the application therefore exact specification: type, quantity, unit price and total value of the contract, along with the full coordinates of the contracting partner and end-user have to be presented along with the requested attachments (import license, IIC, End-User-Certificate). Validity of this authorization is one year, with possible extension. The license owner has to report monthly in writing about actual transaction results.

According to the Government Decree No.48/1991.(III.27.) the applications for all listed licenses are subject of a two-fold inter-ministerial control:

- in the *preparatory phase* the applications are examined and classified by the so-called Expert Working Group , which are then presented
- for *final decision* to the Military Operational Committee

both consist of the representatives of the relevant ministries and the Civil National Security Services.

Only unanimous decision is further proceeded.

During the licensing procedure the following general principles are observed:

- the transaction shall not violate any provision of the Constitution and any obligation of the Republic of Hungary committed to international treaties and shall not be contrary to the country's foreign policy, national defense and national security interests,
- embargoes and limitations of international regimes and the provisions of the EU Code of Conduct,
- export of firearms, ammunitions, and components therefore are dealt with equal scrutiny and conditions,
- only well known and/or well identifiable partners are allowed for negotiations,
- only professional registered dealers are considered as partners, i.e. political movements, organizations or private natural persons are excluded,
- newly established companies have to present their credentials and certifications by local authorities validated for military trading activities,
- official import/export licenses, end-user certifications are to be attached,
- if necessary the Hungarian foreign missions are involved in reconfirmation of the authenticity of locally issued documents.

In Hungary all international sanction resolutions (UN, OSCE, and EU) are strictly respected and enforced. Full publicity is there for wanted terrorists and organizations listed under international warrants.

Hungary is a member in all international non-proliferation regimes and agreements aimed at preventing the proliferation of military and weapons of mass-destruction and equipment of deliverance thereof.

SMALL ARMS AND LIGHT WEAPONS (SALW)

All categories of SALW are controlled under the military foreign trade law in Hungary.

The relevant Hungarian regulation is therefore stricter than the EU regulations or the Wassenaar Agreement/Munitions List, since e.g. all hunting and sport guns are controlled equally under the Hungarian military foreign trade law.

TRADE AND POSSESSION OF EXPLOSIVES

Domestic trade and possession

1. Conditions for acquisition of civilian explosives by natural persons:

Conditions to acquire civilian (mineshaft, industrial, agricultural) explosives and equipment thereof by natural persons in Hungary are regulated in the Ministerial Decree No.3/1973.(VII.18.)BM. Accordingly, explosives and initiating materials can be acquired only by registered companies; natural persons are only exceptionally allowed upon special licensing proceedings for the same.

According to the law acquisition and possession of explosives and initiating materials have to be licensed by the Mining Bureau of Hungary and by the National Police HQ.

2. Conditions for acquisition of military explosives by natural persons

Natural persons are not allowed to possess military explosives in Hungary,- that is the exclusive privilege of governmental armed forces.

Surplus stocks of military explosives are banned for domestic trade, those are to be destructed or exported.

Foreign Trade

The necessary trading licenses for the foreign trade of civilian explosives is according to the Government Decree No.112/1991.(XII.23.) have to be obtained.

For any transport movements of explosives within the country Police Route Permit is necessary to obtain, prescribing possible routing, delivery conditions and assign a natural person declared with full responsibility under the Penal Code for the safe passage of the consignment.

Foreign trade activities of military explosives and initiating materials are regulated in the Government Decree No.48/1991.(III.27.).

Natural persons violating the above laws and regulations –as described in the Penal Code 261/A§., 263§., 263/A§., 263/B§., 264/C§. and 287§.criminal acts, are punishable up to 15 years of prison.

EXPORT CONTROL IN HUNGARY

The Republic of Hungary initiated ever since the early 90's a very strict and very effective export control system. Operating that system, beside the mandated Bureau of Licensing and Registration, Ministry of Economy and Transport, an important role is assigned to the Law Enforcement Officers at the Customs and Police Departments, as well as to the Civil National Security Services. All those organizations are obliged by law to cooperate within the export control system.

Since Hungary is a member in all international non-proliferation regimes.

- Hungary is a founding member in the Wassenaar Agreement (WA), based upon Government Decree No.3077/1994(III.17.),
- Joining the Australia Group was confirmed by Government Decree No.3417/1990.(IX.27.),
- Missile Technology Control Regime (MTCR) membership was confirmed in 1993,
- The instrument of ratification of Hungary of the Chemical Weapons Convention (CWC) was deposited on the 31st October 1996, and the agreement was promulgated by Act No. CIV. of 1997 upon the approval of the Hungarian Parliament,
- Hungary is a full member of the Nuclear Suppliers Group (NSG) since its foundation, Government Decree No.121/1997.(VII.17.)
- Hungary is a State Party as well to the Convention on Prohibition of Bacteriological (Biological) and Toxin Weapons (BWC),
- Hungary acceded to the international agreement banning antipersonnel mines, and accepted the Program of Action of the UN Conference on the Illicit Trade in Small Arms and Light Weapons in All its Aspects.

Legal regulation of export control

To enhance export control effectiveness the military products are classified every year under the licensed products. From among the so called "dual-use" products all civilian firearms, industrial explosives, pyrotechnical products, dangerous chemical materials, airplanes precursors, drugs, etc. are listed, which are frequented by terrorists as well.

The full list of licensed products is contained in the Government Decree No.112/1990.(XII.23.).

The export control rules and regulations of conventional weapons and "dual-use" products are contained in the Government Decree No.61/1990(X.1.). This decree describes basic principles, necessary documents to be used and full list of items under control. Since the Hungarian export control system incorporates tight international cooperation, the controlled product-list is flexibly reflecting the expectations of international regimes. The necessary changes are published in Ministerial Decrees (e.g. the latest in the Ministerial Decree No.28/2001.(X.12.) GM).

Within the Hungarian legal framework (see e.g. Government Decree 61/1991.(X.1.)) the transit movements of controlled goods passing via Hungary's territory are equally controlled.

The authorities participating in the export control system provide a 24-hour (round the clock) duty, therefore there is standing assurance for operative intervention in case of any suspicious occurrence in relationship with the in-and out-going sensitive goods.

Subparagraph 2 (b)

The police detection and investigation of terrorists and terrorist activities is the responsibility of the Anti-terrorist Unit of the Hungarian National Police HQ. International warning and co-operation is done via the International Police Co-operation Center of the Hungarian National Police HQ.

The inter-agency co-ordination and co-operation against organized crime and terrorism is the responsibility of the Anti-Organized Crime Co-ordination Center consisting of the representatives of the Hungarian law enforcement agencies and the national security services having responsibility in anti-terrorist activities in Hungary.

Subparagraphs 2 (c) and (d)

Such activities have not yet occurred from Hungary.

Subparagraph 2 (e)

So far there was no sentence delivered in Hungary for committing acts of terrorism as defined by the international law, since for the time being the Hungarian provisions covering the acts of terrorism still do not meet the definition determined by international law.

Although some terrorism type actions in HCC are not specifically defined as acts of terrorism, these constitute serious offenses.

In accordance with the amended Section 261:

(1) Any person who detains another person against his will or seizes considerable assets or property, and makes demands to government agencies or non-governmental organizations in exchange for the release of the person or refraining from doing harm or injury, or the return of said assets and property, as well as any person who provides material means to commit any act of terrorism is guilty of a crime and is punishable with imprisonment from five to fifteen years.

(2) The punishment shall be imprisonment from ten years to fifteen years or life sentence, if the act of terrorism is committed

a) causing death or an especially grave disadvantage,

b) in war-time.

(3) The person, who perpetrates preparation for an act of terrorism, shall be punishable for a felony with imprisonment from one year to five years.

(4) The person who credibly obtains intelligence suggesting that the perpetration of an act of terrorism is being prepared, and fails to report that to the authorities as soon as s/he can, commits a felony, and shall be punishable with imprisonment of up to three years.

(5) The punishment of the person, who abandons an act of terrorism before any grave consequence has arisen therefrom, may be mitigated without limitation.

This criminal offense is a special form of constraint and blackmailing when the perpetrator makes an effort to preclude the possibility of defeat, by obtaining some kind of guarantee in advance. If the recipient of the demand is not a governmental agency or social organization the criminal offense is considered either constraint or blackmailing.

In 1991 the Supreme Court has decided on the issue whereby the acts of terrorism is realized even if the genuine plan of the perpetrator was the commission of another offense and because of the frustration of the genuine plan he/she decided to take a hostage in order to have their demand fulfilled.

According to the present wording of Section 261 political motivation to the realization of the acts of terrorism is not necessary.

If the act was committed outside the territory of the Republic of Hungary by a person who is a Hungarian citizen, he/she will be prosecuted in Hungary according to the HCC even if the offense is not considered as criminal offense abroad.

With regard to the seriousness of this criminal offense the *county court* is the court of first instance in the criminal proceeding.

If the criminal offense was committed outside the territory of the Republic of Hungary, the competence of the county court is based on the domicile or residence of the suspect, in the lack of domicile or residence the county court has competence on the territory of which the suspect is kept in custody.

If the act was committed outside the territory of the Republic of Hungary by a foreign national who is currently in Hungary, the first instance court is the county court on the territory of which the suspect lives, resides or where the suspect is kept in custody.

Subparagraph 2 (f)

Act XXXVIII of 1996 on international legal assistance in criminal matters does not determine any time limit for executing a request for mutual legal assistance.

The Republic of Hungary attaches special attention to the fight against terrorism, which means that the necessary measures for these proceedings are taken immediately after having received the MLA-request.

In urgent cases the competent Hungarian authority, the Office of the Prosecutor General accepts the request by fax or by other direct form as well in order to avoid the delay that might be caused by using the official channels. In this case, the requests must be sent through official channel at the same time.

If so requested, the representative of the acting foreign authority can be present at the performance of the request in order to make it faster and more efficient.

Subparagraph 2 (g)

The term "high-risk country" is not defined and used in the Hungarian system. Hungary has accepted and applies the EU and UN list of terrorist groups, organizations and persons for this purpose.

The way Hungary issues identity-papers and travel documents is meeting the highest quality and security standards. The passport, identity card and driving license - as acceptable ID documents – have recently been changed in Hungary. The latest high-tech protective measures have been used for these documents. At border checkpoints automated procedure and devices have been recently installed for the detection of forged documents.

Subparagraphs 3 (a), (b) and (c)

The Act XXXVIII of 1996 on international legal assistance in criminal matters entered into force on 15 July 1996.

This Act shall be applied unless otherwise stipulated by an international treaty. The Minister of Justice may request statements of reciprocity from foreign states and may make such statements of reciprocity at the request of foreign states. If there is no reciprocity, the Minister of Justice or the Prosecutor General shall reach a decision on the performance of requests for legal assistance by foreign states in agreement with the Minister of Foreign Affairs.

The Act regulates in detail the following forms of legal assistance: extradition, surrender or acceptance of criminal proceedings, surrender or acceptance of sentences of imprisonment or enforcement of such measures, procedural assistance and denunciation at the authorities of Foreign States.

Hungary has *bilateral treaties on extradition* with the following countries:

- Algeria,
- Austria,
- Australia,
- Bosnia and Herzegovina,
- Egypt,
- Iraq,
- People's Democratic Republic of Korea
- Canada,
- Cuba,
- Mongolia,
- Monaco,
- Paraguay,
- South Africa,
- Syria,
- Tunisia,
- United States,
- Vietnam,
- Yugoslavia.

Hungary has *bilateral treaties on mutual legal assistance in criminal matters* with the following countries:

- Algeria,
- Austria,
- Australia,
- Bosnia and Herzegovina,
- Egypt,
- Iraq,
- People's Democratic Republic of Korea
- Canada,
- Cuba,
- Mongolia,

- Syria,
- Tunisia,
- United States,
- Vietnam,
- Yugoslavia.

Hungary has ***bilateral treaties on suppressing terrorism and organized crime*** with the following countries:

- Albania,
- Austria,
- Belgium,
- Bosnia-Herzegovina,
- Bulgaria,
- Croatia,
- Cyprus,
- Czech Republic,
- Egypt,
- Estonia,
- France,
- Germany,
- Greece,
- Ireland,
- Israel,
- Italy,
- Jordan,
- Kazakhstan,
- Kuwait,
- Latvia,
- Lithuania,
- Malta,
- Moldova,
- Morocco,
- Poland,
- Romania,
- Russia,
- Slovakia,
- Slovenia,
- South Africa,
- Spain,
- Sweden,
- Switzerland,
- The Netherlands,
- Tunisia,
- Turkey,
- UK,
- Ukraine,
- United States,
- Vietnam,
- Yugoslavia

Subparagraph 3 (d)

On 10 September 2002 the Hungarian Parliament has *promulgated the International Convention for the Suppression of Terrorist Bombings and ratified the International Convention for the Suppression of the Financing of Terrorism. Hence, Hungary is now a party to all international instruments relating to terrorism.*

Subparagraph 3 (e)

The obligation to consider a criminal offense mentioned in the related conventions and protocols on terrorism as an extraditable offense is not explicitly stated in the above mentioned bilateral treaties.

However, *according to the Hungarian domestic law,* all of these criminal offenses are extraditable offenses.

Subparagraph 3 (f)

Obligatory "front security checks" are conducted by the National Security Services (NSS) for applicants for refugee status. No refugee status is granted without this kind of security clearance. NSS participates in the proceedings as an expert authority. The refugee authority conducting the first interviewing of the applicant is therefore obliged to approach the NSS without delay, but in any case in five days at the latest.

If the NSS hears the asylum-seeker the opinion of this special authority shall be formed within 45 days of approach, with the exception of an accelerated procedure (5 days), except if the NSS has asked for a further 15 days extension for formulating its decision.

The Hungarian legislation (Act on Asylum: - Act CXXXIX of 1997 on Asylum -) contains in its entirety the language of Article 1F of the 1951 Geneva Convention declaring, "that recognition as a refugee shall be refused to a foreigner if any of the reasons for exclusion defined in Article 1, Art. D., E., or F of the Geneva Convention prevail in respect of the foreigner".

The Asylum Act also declares that "a person in respect of whom there are substantial grounds to believe that he has committed a crime against peace, a war crime or a crime against humanity, as defined in the international instruments governing such crimes may not be recognized as temporarily protected person" (this may be based on the statement of the National Security Services).

Subparagraph 3 (g)

The reservation made by Hungary under Article 13.1 of the European Convention on the Suppression of Terrorism is still in force.

One cannot speak about practice in connection with this reservation, since Hungary has not received any request for extradition yet in respect of any offense listed in Article 1 of the Convention, which is considered to be political.

Paragraph 4

In addition to the data provided under subparagraphs 3 (a), (b) and (c) the following information is offered:

The Government of Hungary is fully aware of and shares the concern formulated in paragraph 4. The organizational chart below clearly demonstrates that the ministries and government agencies involved in anti-terrorism activities cover the whole spectrum of illegal and illicit acts listed in this paragraph of the Resolution.

As a State Party to the NPT and founding member of the IAEA Hungary is strongly committed to the goals of non-proliferation. Chemical and biological weapons control, including the illegal movement of such weapons and materials has long been a priority issue on the Hungarian disarmament agenda.

Hungary has established extensive ties with the countries of the region to co-operate in the fight against international terrorism. Hungary is also a full-fledged participant in the European Union's anti-terrorism efforts and complies fully with OECD's anti-money-laundering recommendations.

ORGANIZATIONAL CHART — HUNGARY